



PREVENTIVE LAW SERIES

POST-DISASTER SCAMS



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DON'T BECOME A VICTIM AFTER A DISASTER

While disasters bring out the best in some, they bring out the worst in others. Time and again scam artists strike after disasters, preying on good-natured people who want to help out disaster victims or re-victimizing those who have already been harmed. The following are some helpful hints to keep from becoming a victim.

BE PROACTIVE

- Contact your insurance company immediately. Ask questions. Write down the name of the person you talk to and a summary of your conversation.
- Take pictures of the damages.
- Take steps to prevent further damage to your property.
- Try to settle your claim with your insurance company before you hire your own attorney or adjuster.
- Bring your paperwork to Legal Assistance before signing anything.
- Keep good records and paperwork, including all contracts, bills, and letters.
- Call the Department of Insurance Consumer Protection Hotline (800) 927-HELP if you have complaints about your insurance company.

CONTRACTORS

- Make sure your contractor is licensed by the state. Call the Contractors State License Board (CSLB) (800) 321-2752 or visit www.cslb.ca.gov to check a contractor's license. Read the CSLB's "What you should know before you hire a contractor" on their website.
- Ask for identification! Ask to see their contractor license and driver license.
- Check references by talking to banks, previous customers, and the Better Business Bureau.
- Don't rush into anything. Collect multiple bids from multiple contractors before deciding.
- Get everything in writing. Read the fine print. Never sign a contract if it has blanks not filled in.
- Beware of spending too much money on temporary repairs. Spending too much on temporary repairs may leave little left on your claim for permanent repairs.
- Never pay for the entire project in advance or before the work is finished. California law states that a down-payment for one project may not be more than \$1,000 or 10% of the contract, whichever is less. Cal. Code Regs. tit. 16, § 872.1.
- Pay with check—NOT cash!
- Beware of door-to-door salespeople. Don't feel pressured into signing anything. Remember you have three days to cancel a door-to-door contract.
- Do not hire a contractor who will not provide proof of insurance. Make sure they have workers' compensation and liability insurance.
- Call the building inspector before any hidden work is covered.

INSURANCE ADJUSTERS

- There are two types of insurance adjusters: those employed by your insurance company and those that you can hire to help with your claim.
- The insurance adjuster employed by your insurance company does not charge you a fee.
- If you hire a public adjuster for your claim, make sure they are licensed with the California Department of Insurance: www.insurance.ca.gov/0200-industry/0070-check-license-status.
- Make sure you get the contract with the adjuster in writing.
- Understand the adjuster's fees before signing a contract with them.

ATTORNEYS

Check with the California Bar Association for license and good standing information on any attorney you consider hiring: (800) 843-9053.

COMMON SCAMS

- Debris-clearing scams often ask for payment upfront and then either do not clear the debris or just move the debris in an unauthorized location. Don't pay until the job is done.
- Water testing scams sell overpriced or useless water-treatment devices. Your local water utility can tell you about your water safety; the county health department can answer questions if you have private wells.
- Moving companies. Make sure the company is licensed with the California Public Utilities Commission: (800) 877-8867.
- Price Gouging. During a state of emergency, businesses can only increase prices by ten percent unless the supplier's price has increased. If you are in San Diego County, report price gouging to the San Diego County District Attorney Consumer Protection Unit: (619) 531-4070.
- Lenders. Do not sign away the equity in your home. Only deal with reputable institutions.

FAKE CHARITIES:

- NEVER donate cash! Write the check to the organization, not the person collecting the money.
- Don't feel pressured to donate immediately.
- Do not give any bank, credit card, or social security information over the phone.
- Research any charities you are interested in giving to with the Better Business Bureau and the California Attorney General's Registry of Charitable Trusts: (916) 445-2021; www.oag.ca.gov/charities.

LOOTING

During a state of emergency, looting is a felony crime punishable by up to 3 years in prison.

BOTTOM LINE

Do not be rushed or pressured into acting. Beware of scare tactics. Beware of people who prey on your emotions and not on their own business reputation.

LEGAL ASSISTANCE SERVICES

A legal assistance attorney is available by appointment Monday through Thursday from 0800 - 1030 and 1300 - 1500, and Friday from 0900 - 1100. Powers of attorney and notaries are available Monday through Friday at the same times. For more information, please contact the Legal Assistance Office, located in Building 56, 32nd Street Naval Station, San Diego, CA, by telephone at (619) 556-2211, or our office at Naval Air Station North Island – Coronado, Building 318 – Second Deck, above the Fleet and Family Support Center, Saufley Road, by telephone at (619) 545-6437.

RESOURCES

Federal Trade Commission: (877) FTC-HELP; www.consumer.ftc.gov/features/feature-0009-military-families

- Consumer Information: www.consumer.ftc.gov; (877) FTC-HELP
- File a Consumer Complaint: www.ftccomplaintassistant.gov

California Attorney General Registry of Charitable Trusts: (916) 445-2021; www.oag.ca.gov/charities

California Bar Association: (800) 843-9053; www.calbar.ca.gov

California Contractors State License Board: (800) 321-2752; www.cslb.ca.gov

California Department of Insurance: (800) 967-9331

Consumer Protection Hotline: (800) 927-HELP

Check and Insurance License: www.insurance.ca.gov/0200-industry/0070-check-license-status

California Public Utilities Commission: (800) 877-8867

San Diego County District Attorney Consumer Protection Unit: (619) 531-4070

California Code of Regulations title 16, § 872.1 (2013).